VZCZCXRO9396 OO RUEHBC RUEHDE RUEHKUK DE RUEHDIR #0141/01 0841255 ZNR UUUUU ZZH O P 251255Z MAR 09 FM RPO DUBAI TO RUEHC/SECSTATE WASHDC IMMEDIATE 0377 INFO RUEHDIR/RPO DUBAI 0378 RUCNIRA/IRAN COLLECTIVE RUEHAD/AMEMBASSY ABU DHABI PRIORITY 0307 RUEHBUL/AMEMBASSY KABUL PRIORITY 0021 RUEHUNV/USMISSION UNVIE VIENNA PRIORITY 0024 RUMICEA/USCENTCOM INTEL CEN MACDILL AFB FL RHEFDIA/DIA WASHINGTON DC RUEAIIA/CIA WASHDC RUEKJCS/SECDEF WASHINGTON DC RHEHAAA/NSC WASHINGTON DC

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11. [S/NF] Qalibaf Planning to Deliver US Goods in Time for Election?: The Tehran Municipality's interest in US agricultural trade continues, but now appears driven by a more overtly political agenda. IRPO Officer and Dubai-based regional Ag Attache met for a second time with two UAE-based Iranian traders representing the Tehran Municipality. Following up on previous discussions of US wheat, the traders' new emphasis is now on rice and oranges, and they repeatedly emphasized the importance of having these products labeled "Made in USA" and to have them delivered before the June election, even if the size of the purchase is relatively modest. The political nature of these purchases was further emphasized by the UAE-based traders effort to distinguish their purchases from those of the IRIG Ministry of Commerce's Government Trading Corporation (GTC), controlled by an AN appointee; the traders said the GTC would only be interested in expanded US trade if AN loses the election in June and a new director takes over the GTC. Comment: The traders did not mention whether Tehran Mayor Qalibaf was involved in this proposed transaction. Qalibaf, operating via the Tehran Municipality's procurement network, may plan to use this transaction of US-origin goods to position himself as someone who can deliver, in a material way, better US-Iran relations. Numerous hurdles to completing the purchase and delivery before the elections remain, including US licensing procedures and the lack of a US-Iran phytosanitary agreement.

¶2. [C] Iran's Channel 3 Broadcasts Video Conflating USG Digital Outreach and Internet Porn Ring: A well-established IRPO contact reported that on March 20 Iran's Channel 3 ran a report describing how intelligence agents of the Revolutionary Guard have broken up a network of internet sites supported by the USG. According to the report, the Farsi-language pornography and prostitution sites were part of the State Department's efforts to foster a velvet revolution in Iran by promoting anti-revolutionary and anti-religious activities within Iranian society. According to our contact, the video spliced together commentary from a narrator, taped confessions of several men arrested for running the sites, and clips of a young Iranian-American man with a Department of State seal in the background discussing USG digital outreach efforts. Our contact noted that the report was aired at the beginning of the Nowruz Our contact holiday, just before a popular movie was scheduled to run, thus ensuring a large audience.

- 13. [C/NF] Hollywood Delegation Gets Rave Reviews: Two contacts have told us that contrary to official IRIG castigation of Hollywood, the delegation from the Academy of Motion Picture Arts and Sciences was warmly received throughout Iran. One Iranian film industry contact said that Hollywood recognition of the Iranian film community was, he hoped, a step toward new cooperative relationships between film makers in both countries. IRIG officials were privately very supportive of the visit, our contacts said. They noted that there had been no direct or indirect effort to press the delegation for an "apology" and that the atmosphere surrounding the visit had been completely positive. Comment: Iranian officials are no strangers to playing to foreign audiences when saying one thing and doing another. The presence of these high-profile American visitors, "300" aside, has created enormous good will and new opportunities for supporting collaboration between U.S. and Iranian film makers at various levels.
- 14. [C/NF] Iranians Appreciative of and Talking about President Obama's Message: Most Iranian visa applicants in Dubai on March 22 and March 24 were aware of President Obama's message and were very enthusiastic about it. Some had seen the message on satellite television in Iran, but many had heard about the message from friends, family, or colleagues. Young and old applicants alike offered their appreciation for the message and many hoped the speech would eventually yield a new relationship between Iran and the United States. Fewer applicants were aware of the Supreme Leader's response to the President's message though those that were either disappointed with its tone or unsurprised at the reaction. One woman from Tehran, criticizing Khamenei, complained that a message of kindness should be reciprocated in kind. Comment: Iranians seeking visas to visit

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the United States are probably predisposed to supporting the President and unlikely to criticize him during their visa interview. Still, their comments are useful. Many applicants had not seen or read the message themselves but had heard about it, suggesting the message was a popular topic of conversation. Most applicants were from Tehran, but those from other locations, such as Shiraz, Esfahan, and Arak also were aware of and supportive of the message. And many applicants were visibly excited to be queried about the message and optimistic that better relations may be in the offing.

- ¶5. [C/NF] Iranians See Potential Opening in Khamenei's Mashhad Speech: Several IRPO contacts, based both inside and outside Iran, observed that Western press characterizations of Supreme Leader Khamenei's March 21 speech as a rebuff or rejection of President Obama's Nowruz overture were oversimplified and incorrect. Each contact noted a distinct change in Khamenei's tone and remarked that when the crowd began the usual "Death to America" chant, he stopped them, saying that this was not the time for slogans. Our contacts, several of whom make a point of listening to every speech by the Leader, said this was unprecedented and a "clear signal" to Iranians that Khamenei recognizes the importance of this opportunity and does not want the moment to be obscured by the "usual political theater." As one Tehran-based woman observed, "Iranians speak in nuance," and emphatically argued that Khamenei did not rebuff President Obama; rather, he said "you change, then we will change." (Note: This young woman, who is from a middle class, relatively religious family not supportive of Ahmadinejad, said she found President Obama's message "condescending" and that while "nice words are necessary, they are not sufficient."
- 16. [S/NF] Ras Al Khaimah, KRG, and Iran: During meeting with Iranian IRPO business contact serving as advisor to Ras Al Khaimah leadership, IRPO Officer learned that KRG officials

visit RAK often, and offered the following recent anecdote from a visit of Iranian-Born KDP leader Massoud Barzani. During a recent meeting with RAK leadership, Barzani began speaking Persian with IRPO contact. Barzani reportedly said in greeting, "We (Iranians and Kurds) are brothers of one shared root" to the Iranian. The RAK Crown Prince, Shaikh Saud Bin Saqr al Qasimi, asked contact to translate the exchange, and commented only half-jokingly, "God help us".

¶7. [U] Window on Iran is a classified, weekly product providing Washington policy community and Iran watcher highlights of key developments on Iran. It is produced by the Iran Regional Presence Office - Dubai. Please direct any questions/comments to: Kay McGowan (mcgowanka2@state.sgov.gov) or Charlie Pennypacker (pennypacker@state.sgov.gov).

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